Of late years the influence of Western types of organization has rapidly increased. This is partly due to the growth in foreign trade, to the more extensive penetration of China by foreign goods, and to the changes occurring in every phase of Chinese life. It is probably also due to alterations in the old structure for the conduct of foreign commerce. For many years the usual channel between alien and native merchants was a Chinese middleman, called in Western parlance a compradore. This in itself was a concession to local conditions. The compradore was salaried by the foreigner and, in addition, as his chief source of income, was allowed commissions on transactions made through him. He engaged and discharged the members of his employer's Chinese staff and made all the contacts with Chinese merchants. While his reign endured, direct intercourse between Chinese and foreign merchants was at a minimum. The compradore owed his position, indeed, to his knowledge of the Chinese language and of Chinese business methods. It was to his interest to see that no change took place in the latter. In recent years, however, the compradore has been declining in importance. Less and less of a foreign firm's business has been conducted through him. The merchant from abroad has dealt directly with Chinese without his mediation, and the Chinese merchant has tended to establish immediate contacts with foreign countries. The removal of this barrier may be both a result and a cause of the modification of Chinese business institutions.

The characteristic unit of Chinese mercantile enterprise is still an individual, a family, or a partnership. Stock companies, while

some of them are very important, are in the minority. Merchants continue to be organized by guilds. The chambers of commerce appearing in almost every important city (they multiplied rapidly after 1900 and as long ago as 1914 there were about thirteen hundred of them) seem to have owed much to their Occidental prototypes, but it is probable that the Chinese experience with guilds facilitated their formation. To some of them only representatives of guilds have been admitted, and they have provided a means—largely lacking under the old regime—whereby guilds can cooperate.

The chambers of commerce have been recogiiized intermediaries between the merchants and the government, and from time